

REFERENCE RELATING TO THE ANTICIPATED ACQUISITION BY HITACHI RAIL, LTD. OF THALES SA'S GROUND TRANSPORTATION SYSTEMS BUSINESS

Notice of extension of inquiry period under section 39(3) of the Enterprise Act 2002¹

1. On 23 December 2022, in exercise of its duty under [section 33\(1\)](#) of the Enterprise Act 2002 (the **Act**), the Competition and Markets Authority (**CMA**) referred the anticipated acquisition by Hitachi Rail, Ltd. of Thales SA's Ground Transportation Systems Business (the **Merger**) to its chair for the constitution of a group of CMA Panel Members (the **Inquiry Group**) to investigate and report. The period within which the report on this reference was originally to be prepared and published (**the original reference period**) was due to expire on 8 June 2023.²
2. The CMA published notices of extension to the original reference period on 9 and 13 January 2023, made pursuant to section 39(4) of the Act, as a result of the failure by the merger parties to comply with the requirements of section 109 notices issued on 23 December 2022, requiring them to provide documents and information specified in the section 109 notices.
3. Each notice of extension was cancelled on 14 March 2023 following compliance by the merger parties with the section 109 notices after a delay of 64 days and the original reference period was extended by 64 days (**the revised reference period**) due to expire on 11 August 2023.
4. The Inquiry Group published its provisional findings and the notice of possible remedies on 8 June 2023.
5. The Inquiry Group considers that completion of its investigation and the publication of its final report, including the remedies process, will not be possible within the revised reference period.
6. The Inquiry Group has decided to extend the revised reference period by eight weeks under section 39(3) of the Act to 6 October 2023 (**the extended reference period**) as it considers that there are special reasons (set out below) to do so.

¹ Published pursuant to sections 39(3) and 107(2)(c) of the Act.

² See Terms of Reference for the CMA's Phase 2 investigation of the anticipated acquisition by Hitachi Rail, Ltd of Thales SA's Ground Transportation Systems Business. Available at: [Terms of reference \(publishing.service.gov.uk\)](https://publishing.service.gov.uk).

However, the Inquiry Group aims to complete the inquiry as soon as possible and in advance of this date.

7. In taking this decision, the Inquiry Group had regard to the need to consider the issues raised and additional evidence submitted by the merger parties in their response to the Inquiry Group's provisional findings, the need to gather and analyse further evidence from third parties which had become available following publication of the provisional findings, and the need to consider the issues raised in the merger parties' response to the Inquiry Group's notice of possible remedies, taking into account the complexity of the remedy being proposed by the merger parties. The Inquiry Group also had regard to the need to consult with stakeholders in relation to the proposed remedy, in reaching its decision on remedies, if required.

Stuart McIntosh
CMA Inquiry Chair
18 July 2023